

FIRST REGULAR SESSION

SENATE BILL NO. 390

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS KOSTER, GREEN AND KENNEDY.

Read 1st time January 29, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

1883S.01I

AN ACT

To amend chapter 393, RSMo, by adding thereto two new sections relating to the electrical corporation responsibility act.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 393, RSMo, is amended by adding thereto two new
2 sections, to be known as sections 393.131 and 393.132, to read as follows:

**393.131. 1. Section 393.131 to 393.132, RSMo, shall be known and
2 may be cited as the "Electrical Corporation Responsibility Act".**

**3 2. As used in sections 393.131 to 393.132, the following terms
4 mean:**

**5 (1) "Fixed customer charge", the portion of a customer's bill that
6 does not vary by month in response to changes in a customer's
7 electrical usage;**

**8 (2) "Substandard service provider", an electrical corporation
9 under the authority of the commission whose service to its Missouri
10 customers has resulted in a SAIFI value above one point zero or a
11 SAIDI value above one hundred twenty for two consecutive calendar
12 years, or in three of any four consecutive calendar years. SAIDI and
13 SAIFI values for this assessment shall be normalized to remove major
14 outage events as prescribed by the commission;**

**15 (3) "System average interruption duration index" or "SAIDI", the
16 average customer-minutes of interruption per customer, which is
17 determined by dividing the annual sum of customer-minutes of
18 interruption by the average number of customers served during the
19 year;**

**20 (4) "System average interruption frequency index" or "SAIFI", the
21 average number of interruptions per customer per year, which is**

22 determined by dividing the total annual number of customer
23 interruptions by the average number of customers served during the
24 year.

393.132. 1. If any customer of an electrical corporation is
2 without electrical service for more than four hours in a monthly billing
3 period due to power outages, including power outages resulting from
4 major outage events, the company shall provide a credit of the entirety
5 of the fixed customer charge for that month in the next billing cycle
6 following the occurrence. Revenue forgone as a result of any credit
7 provided under this subsection may not be considered by the
8 commission in determining a general rate for any electrical
9 corporation. The commission shall audit compliance with this
10 subsection during any audit conducted in conjunction with a general
11 rate proceeding or complaint involving rates.

12 2. Annually, as part of the annual report required by section
13 393.130, each electrical corporation shall report its system average
14 interruption duration index (SAIDI), and its system average
15 interruption frequency index (SAIFI) for the preceding twelve months,
16 normalized for certain major outage events as prescribed by the
17 commission. The commission may require reporting of additional
18 indices as it deems necessary in order to assess adequacy of customer
19 service. The commission shall make public and prominently display the
20 annually reported SAIDI and SAIFI indices of each electrical
21 corporation on its Internet web site, ranking each corporation in order
22 of its performance according to the indices.

23 3. Any residential customer who experiences electrical outages
24 during a calendar year in excess of five hundred percent of an
25 electrical corporation's published SAIDI or SAIFI averages for the
26 previous calendar year shall receive a credit equal to the total amount
27 paid for the customer's electrical service for the calendar year divided
28 by twelve. The credit shall be issued in the first monthly billing period
29 of the next calendar year.

30 4. The commission shall make public and prominently display on
31 its website the total number of service quality-related complaints per
32 one thousand customers for each electrical corporation for the
33 preceding three, twelve, and twenty-four months, excluding matters
34 related to installation delays, change in supplier, acquisition of new

35 service, and service termination for nonpayment. The commission's
36 website display shall rank each corporation in order of its performance
37 according to its service quality-related complaints.

38 5. When an electrical corporation has met the criteria of a
39 "substandard service provider" as defined in 393.131, the commission
40 shall prominently display such information on the front page of its
41 Internet website, and the electrical corporation in question shall
42 prominently display on each monthly bill, until service is no longer
43 determined by the commission to be substandard, the following
44 statement or a similar notice, in boldface lettering of not less than ten
45 point type: "(Name of electrical corporation) has been adjudged by the
46 Missouri Public Service Commission to currently be providing
47 substandard service to its customers, as determined by section 393.131
48 RSMo."

49 6. When an electrical corporation has met the criteria of a
50 substandard service provider, the commission shall immediately cause
51 the current authorized rate of return of the electrical corporation to be
52 reduced by one hundred basis points and shall cause the general rate
53 charged to customers of the electrical corporation to immediately
54 reflect the reduction. The general rate reduction mandated under this
55 subsection shall remain in effect until such time as the electrical
56 corporation no longer meets the criteria of a substandard service
57 provider, but in no event shall the rate reduction remain in effect for
58 less than twelve months from its inception. Revenue forgone as a result
59 of any penalty provided under this subsection may not be considered
60 by the commission in determining a general rate for any electrical
61 corporation.

62 7. The commission shall by rule promulgate generally applicable
63 vegetation management standards for electrical corporations. The
64 commission shall seek penalties against such corporations it
65 determines have failed to comply with vegetation management
66 standards established under this section. Revenue forgone as a result
67 of any penalty provided under this subsection may not be considered
68 by the commission in determining a general rate for any electrical
69 corporation.